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AVERAGE ANNUAL PAY IN THE STATE OF IOWA, 1999

Annual pay in Iowa averaged \$26,939 in 1999, increasing 3.5 percent over the year, according to the U.S. Department of Labor's Bureau of Labor Statistics. Peter J. Hebein, Regional Commissioner of the Bureau in Chicago, noted that Iowa's pay level trailed both the national average (\$33,313) and that for the Midwest region (\$32,073). (See table 1.)

Average pay in the Midwest region grew at a 3.9 percent pace in 1999 compared to 4.3 percent nationally. Within the twelve-state Midwest Census region, pay levels exceeded the nationwide average in Illinois, Michigan, and Minnesota at \$36,279, \$35,734 and \$33,487, respectively. In the remaining states, annual pay ranged from a low of \$23,753 in North Dakota to \$31,396 in Ohio. Growth in average annual pay ranged from 3.2 percent in Indiana to 4.5 percent in Illinois and South Dakota. (See table 1.)

Annual pay data are compiled from reports submitted by employers subject to State and federal Unemployment Insurance (UI) laws which cover 122 million full- and part-time workers nationwide. Average annual pay is computed by dividing total annual payrolls of employees covered by UI programs by the average monthly number of these employees. (See technical note.) Pay differences among states reflect the varying composition of employment by occupation, industry, and hours of work, as well as other factors. Similarly, over-the-year pay changes may reflect shifts in these characteristics, as well as changes in the level of average pay.

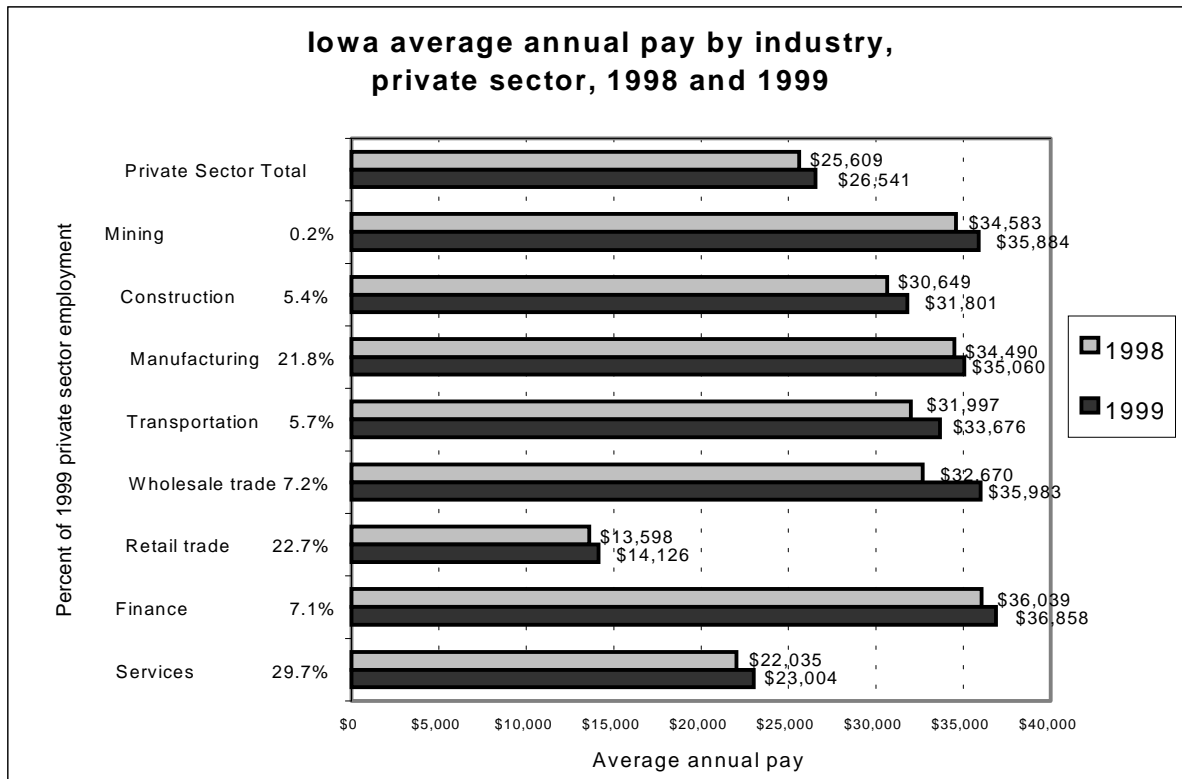
Cedar Rapids led Iowa's metropolitan areas in 1999 with an average annual pay level of \$32,441, 55th highest among the 316 metropolitan areas nationwide. (See table 2.) Des Moines recorded the second highest average annual pay in Iowa at \$32,271 and ranked 61st nationwide. Sioux City had the lowest average annual pay level, \$25,440 and ranked 243rd. None of the metropolitan areas in the state had an annual pay level above the national metropolitan average of \$34,868.

Growth in annual pay from 1998 to 1999 varied among the state's eight metropolitan areas with three areas exceeding the average for all metropolitan areas nationwide. The largest percentage increase occurred in Des Moines which experienced a growth rate of 5.4 percent. The two metropolitan areas of Davenport-Moline-Rock Island and Waterloo-Cedar Falls recorded average pay declines of 0.1 percent and 1.3 percent, respectively. The percentage increase in average annual pay for the nation's 316 metropolitan areas was 4.4 percent.

Pay in Iowa's three largest counties ranged from \$32,851 in Polk County, an increase of 5.4 percent, to \$27,994 in Scott County, an increase of 2.5 percent. Linn County showed the fastest growth in employment, 4.0 percent, ahead of the national average of 2.3 percent. (See table 3.)

Annual pay in Iowa increased in all publishable industry divisions, ranging from a low of 1.7 percent in manufacturing to 10.1 percent in wholesale trade. (See table 4.) Finance, insurance, and real estate at \$36,858 continued to be the highest paid industry. Retail trade, with a high percentage of part-time workers, remained the lowest-paid industry at \$14,126. Overall, private sector pay (excluding government) averaged \$26,541 in Iowa compared to \$33,220 nationally, with statewide industry pay levels below the national average in all industry divisions. Average annual pay for the government sector, which includes local, state and federal government establishments, was \$29,132, an increase of 2.9 percent for the year.

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TECHNICAL NOTE

These data are the product of a federal-state cooperative program in which State Employment Security Agencies (SESAs) prepare summaries of employment and total pay of workers covered by Unemployment Insurance legislation. The summaries are a by-product of the administration of state unemployment insurance (UI) programs that require most employers to pay quarterly taxes based on the employment and wages of workers covered by UI. Data for 1999 are preliminary and subject to revision.

Coverage

Employment and wage data for workers covered by state UI laws and for federal civilian workers covered by the Unemployment Compensation for Federal Employees (UCFE) program are compiled from quarterly contribution reports submitted to the SESAs by employers. In addition to the quarterly contribution reports, employers who operate multiple establishments within a state complete a questionnaire, called the "Multiple Worksite Report," which provides detailed information on the location and industry of each of their establishments. Average annual pay data are derived from summaries of employment and wages submitted by states to the Bureau of Labor Statistics. These reports are based on place of employment rather than place of residence.

UI and UCFE coverage is broad and basically comparable from state to state. In 1999, UI and UCFE programs covered workers in 127.0 million jobs. The estimated 122 million workers in these jobs (after adjustment for multiple jobholders) represent 99 percent of wage and salary civilian employment. Covered workers received \$4.232 trillion in pay, representing 94.7 percent of the wage and salary component of personal income and 45.5 percent of the gross domestic product.

Major exclusions from UI coverage during 1999 included most agricultural workers on small farms, all members of the Armed Forces, elected officials in most states, most employees of railroads, some domestic workers, most student workers at schools, and employees of certain small nonprofit organizations.

Concepts and methodology

Average annual pay is computed by dividing total annual pay of employees covered by UI programs by the average monthly number of these employees. Included in the annual payroll data are bonuses, the cash value of meals and lodging when supplied, tips and other gratuities, and, in some states, employer contributions to certain deferred compensation plans such as 401(k) plans and stock options. Monthly employment is based on the number of workers who worked during or received pay for the pay period including the 12th of the month. With few exceptions, all employees of covered firms are reported, including production and sales workers, corporation officials, executives, supervisory personnel, and clerical workers. Workers on paid vacations and part-time workers also are included. Percentage changes in average annual pay for 1999 were computed using final 1998 data as a base.

The ratio of full-time to part-time workers as well as the number of individuals in high-paying and low-paying occupations affects average annual pay. When comparing average annual pay levels between industries and/or states, these factors should be taken into consideration. Annual pay data only approximate annual earnings, because an individual may not be employed by the same employer all year or may work for more than one employer. Year-to-year changes in average annual pay can result from a change in the proportion of employment in high- and low- wage jobs, as well as from changes in the level of average annual pay.

Data in table 4 are presented separately for the private sector and for government. Average annual pay for employment in the private sector is presented by industry division as defined in the 1987 Standard Industrial Classification Manual. Government data include federal, state, and local establishments.

A few covered employers provided insufficient information on the nature of their businesses to assign a specific SIC classification and therefore could not be classified by

industry division. The wages for these nonclassifiable establishments, along with data for the agricultural division, are not shown separately, but are included in the averages for state and national totals.

The Office of Management and Budget (OMB) defines metropolitan areas for use in federal statistical activities and updates these definitions as needed each summer—data in this release use criteria established in definitions issued June 23, 1998 (OMB Bulletin No. 98-06). The 316 metropolitan areas are a compilation of a set of areas classified as Metropolitan Statistical Areas (MSAs), Primary Metropolitan Statistical Areas (PMSAs) and Consolidated Metropolitan Statistical Areas (CMSAs). Generally speaking, a MSA consists of one or more counties and meets specified size criteria—either it contains a city of at least 50,000 inhabitants, or it contains an urbanized area of at least 50,000 inhabitants, and has a total population of at least 100,00 (75,000 in New England). A CMSA is a metropolitan area that has a population of at least 1 million and has been divided into two or more PMSAs. The CMSA comprises the same geographic area as its constituent PMSAs which are loosely defined as free-standing areas that have a population of at least 100,000.

County definitions are assigned according to Federal Information Processing Standards Publications (FIPS PUBS) as issued by the National Institute of Standards and Technology, after approval by the Secretary of Commerce pursuant to Section 5131 of the Information Technology Management Reform Act of 1996 and the Computer Security Act of 1987, Public Law 104-106. Areas shown as counties include areas designated as independent cities in some jurisdictions, and, in Alaska, those designated as census areas where counties have not been created.

Additional statistics and other information

This news release, along with other BLS statistics and information, is available via the Internet at the BLS World Wide Web site <http://www.bls.gov/ro5news.htm>. Average annual pay data for the nation and for all states and metropolitan areas is available on the Internet at <http://www.bls.gov/newsrels.htm> in the following news releases:

- Average Annual Pay by State and Industry
- Annual Pay Levels in Metropolitan Areas
- Employment and Annual Average Pay for Large Counties

BLS issues an annual report that provides data from state UI and UCFE programs. The comprehensive bulletin, *Employment and Wages, Annual Averages, 1999*, features information by detailed industry on establishments, employment, and wages for the nation and individually for each state. The report will be available for sale early this year from the Bureau of Labor Statistics Publications Sales Center, P.O. Box 2145, Chicago, Illinois 60690. Telephone orders using a credit card (MasterCard, VISA, Discover/NOVUS) or Government Printing Office Deposit Account are accepted at (312) 353-1880 from 8 a.m. to 3 p.m. CT.

Table 1. State average annual pay for 1998 and 1999 and percent change in pay for all covered workers ¹

	Average annual pay		Percent change, 1998-99 ³
	1998	1999 ²	
UNITED STATES ⁴	\$31,945	\$33,313	4.3
Midwest States	30,894	32,073	3.9
Alabama	27,042	28,069	3.8
Alaska	33,847	34,034	0.6
Arizona	29,322	30,523	4.1
Arkansas	24,425	25,371	3.9
California	35,348	37,564	6.3
Colorado	32,248	34,192	6.0
Connecticut	40,895	42,653	4.3
Delaware	33,969	35,102	3.3
District of Columbia	48,462	50,742	4.7
Florida	28,184	28,911	2.6
Georgia	30,856	32,339	4.8
Hawaii	29,036	29,771	2.5
Idaho	24,868	26,042	4.7
Illinois	34,715	36,279	4.5
Indiana	29,108	30,027	3.2
Iowa	26,026	26,939	3.5
Kansas	26,845	28,029	4.4
Kentucky	26,697	27,748	3.9
Louisiana	26,910	27,221	1.2
Maine	25,875	26,887	3.9
Maryland	33,301	34,472	3.5
Massachusetts	37,774	40,331	6.8
Michigan	34,521	35,734	3.5
Minnesota	32,075	33,487	4.4
Mississippi	23,822	24,392	2.4
Missouri	28,907	29,958	3.6
Montana	22,648	23,253	2.7
Nebraska	25,539	26,633	4.3
Nevada	30,203	31,213	3.3
New Hampshire	30,944	32,139	3.9
New Jersey	39,516	(4)	(4)
New Mexico	25,711	26,270	2.2
New York	40,684	42,133	3.6
North Carolina	28,176	29,453	4.5
North Dakota	22,990	23,753	3.3
Ohio	30,392	31,396	3.3
Oklahoma	25,122	25,748	2.5
Oregon	29,544	30,867	4.5
Pennsylvania	31,584	32,694	3.5
Rhode Island	30,156	31,177	3.4
South Carolina	26,161	27,124	3.7
South Dakota	22,751	23,765	4.5
Tennessee	28,462	29,518	3.7
Texas	31,515	32,895	4.4
Utah	26,873	27,884	3.8
Vermont	26,611	27,595	3.7
Virginia	31,373	33,015	5.2
Washington	33,076	35,736	8.0
West Virginia	25,276	26,008	2.9
Wisconsin	28,531	29,597	3.7
Wyoming	24,725	25,639	3.7

¹ Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs.

² Data are preliminary.

³ Percent changes were computed from unrounded average annual pay data and may differ from those computed using data rounded to the nearest dollar.

⁴ New Jersey data for 1999 are not available. Total for United States calculated using estimated data.

Table 2. Average annual pay for 1998 and 1999 for all covered workers ¹ in Iowa by metropolitan area

Metropolitan areas ³	Average annual pay			National ranking ² by level of annual average pay, 1999
	1998	1999 ⁴	Percent change, 1998-99 ⁵	
All U.S. metropolitan areas ⁶	\$33,407	\$34,868	4.4	---
Cedar Rapids, IA	31,375	32,441	3.4	55
Davenport-Moline-Rock Island, IA-IL	29,293	29,263	-0.1	125
Des Moines, IA	30,604	32,271	5.4	61
Dubuque, IA	26,462	26,662	0.8	198
Iowa City, IA	27,232	28,578	4.9	141
Omaha, NE-IA	28,593	30,084	5.2	101
Sioux City, IA-NE	24,793	25,440	2.6	243
Waterloo-Cedar Falls, IA	26,697	26,352	-1.3	212

¹ Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs.

² Rankings are based on a comparison of data for 316 metropolitan areas nationwide.

³ Includes data for Metropolitan Statistical Areas and Primary Metropolitan Statistical Areas as of June 1999. See Technical Note.

⁴ Data are preliminary.

⁵ Percent changes were computed from unrounded average annual pay data and may differ from those computed using data rounded to the nearest dollar.

⁶ Totals were calculated using estimated data for New Jersey for the fourth quarter in 1999 and do not include the six MSAs within Puerto Rico.

Table 3. Employment and average annual pay for 1999 and 1998-99 percent changes for all covered workers ¹ in Iowa by largest counties

County ²	Employment			Average annual pay	
	1999 ³	Percent change 1998-1999 ⁴	Ranked by percent change, 1998-99 ⁵	1999 ³	Percent change 1998-99 ⁴
United States ⁶	127,039,783	2.3	-	\$33,313	4.3
Linn	119,728	4.0	47	32,441	3.4
Polk	260,429	2.1	153	32,851	5.4
Scott	87,507	0.8	245	27,994	2.5

¹ Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs. The 305 largest U.S. counties including New Jersey counties, comprise 70.2 % of the total covered workers in the U.S.

² Includes areas not officially designated as counties. See technical note.

³ Data are preliminary

⁴ Percent changes were computed from annual employment and pay data adjusted for noneconomic county reclassifications. See technical note.

⁵ Rankings for percent change in employment are based on the 288 counties that are comparable over the year.

⁶ Totals for the United States were calculated using data for New Jersey for the fourth quarter in 1999 and do not include data for Puerto Rico.

Table 4. State and industry average annual pay in the U.S. and Iowa for 1998 and 1999 and percent change in pay for all covered workers ¹

State and industry	Average annual pay		Percent change In pay ³
	1998	1999 ²	
United States ⁴			
Total	\$31,945	\$33,313	4.3
Total Private ⁵	31,762	33,220	4.6
Mining	52,066	54,653	5.0
Construction	33,386	34,798	4.2
Manufacturing	40,092	41,918	4.6
Transportation, communications, and public utilities	39,345	41,729	6.1
Wholesale trade	41,831	44,144	5.5
Retail trade	16,810	17,592	4.7
Finance, insurance, and real estate .	48,641	50,865	4.6
Services	30,053	31,491	4.8
Government	32,953	33,830	2.7
Iowa			
Total	26,026	26,939	3.5
Total Private ⁵	25,609	26,541	3.6
Mining	34,583	35,884	3.8
Construction	30,649	31,801	3.8
Manufacturing	34,490	35,060	1.7
Transportation, communications, and public utilities	31,997	33,676	5.2
Wholesale trade	32,670	35,983	10.1
Retail trade	13,598	14,126	3.9
Finance, insurance, and real estate .	36,039	36,858	2.3
Services	22,035	23,004	4.4
Government	28,306	29,132	2.9

¹ Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs.

² Data are preliminary.

³ Percent changes were computed from unrounded average annual pay data and may differ from those computed using data rounded to the nearest dollar.

⁴ Totals for the United States were calculated using estimated data for New Jersey for the fourth quarter in 1999 and do not include data for Puerto Rico.

⁵ Includes data for industries in addition to those shown separately.